

OTS, except as to Jurisdiction (paragraph 1, below), which is admitted, hereby stipulates and agrees to the following:

1. Jurisdiction.

(a) Banco Popular is a “savings association” within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, it is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c). OTS authority extends over Equity One pursuant to 12 U.S.C. §1818(b)(8).

(b) Williams, as a former outside appraiser for Equity One, is deemed to be an “institution-affiliated party” as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years of the date hereof. *See* 12 U.S.C. § 1818(i)(3).

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the “appropriate Federal banking agency” to maintain administrative proceedings against such a savings association or its institution-affiliated parties. Therefore, Williams is subject to the jurisdiction of the OTS to initiate and maintain administrative proceedings against him pursuant to 12 U.S.C. § 1818. The Director of the OTS has delegated to the Regional Director of the Northeast Region of the OTS or his designee (“Regional Director”) the authority to issue orders where the individual subject to the order has consented to its issuance.

2. OTS Findings of Fact. The OTS finds that:

Between the end of 1994 and the beginning of 1996, Williams was an approved appraiser for Equity One and submitted a number of appraisals to them in connection with real estate transactions in which Equity One was the lender. The appraisals, prepared by another appraiser under Williams’s supervision, contained false and misleading information. Williams recklessly signed the appraisals

that he knew, or should have known, were false and misleading, and submitted or permitted them to be submitted to Equity One. Williams knew that Equity One would rely upon the appraisals in making lending decisions. Williams' actions contributed to large losses Equity One suffered in connection with the loans made in reliance on the false and misleading appraisals.

3. Consent. Williams consents to the issuance by the OTS of the accompanying Consent Order to Cease and Desist for Affirmative Relief ("Order"). Williams further agrees to comply with the terms of the Order upon issuance, and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued pursuant to 12 U.S.C. § 1818(b). Upon its issuance by the OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. Waivers. Williams waives the following:

- (i) the right to be served with a written notice of the OTS's charges against him as provided by 12 U.S.C. § 1818;
- (ii) the right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. § 1818;
- (iii) the right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order;
- (iv) any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses related to this

OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412.

6. Indemnification Limitations. Williams represents that he has not received, directly or indirectly, any sums from Equity One for the purpose of indemnifying or reimbursing him for any expenses incurred by him relating to the issuance of the Order. Williams shall neither cause nor permit Equity One (or any successor institution, subsidiary or service corporation thereof) to incur, directly or indirectly, any expense for any legal or other professional services rendered to Williams relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from Equity One (or any successor institution, subsidiary or service corporation thereof) with respect to such expenses. In the event that any such payments are received by or on behalf of Williams in connection with this action, Williams agrees promptly to notify the OTS of the receipt of such payments and to return such payments without delay to Equity One (or any successor institution, subsidiary or service corporation thereof).

7. Scope of Release; Other Governmental Actions Not Affected.

(a) Upon the OTS's issuance of the accompanying Order, following the OTS's acceptance of this Stipulation executed by Williams, the OTS does hereby forever release and discharge Williams from all potential claims and charges that have been or might have been asserted by the OTS based on the alleged violations and unsafe or unsound practices summarized in the Findings of Fact set forth at paragraph 2 of this Stipulation and as described below. Williams understands that the release provided by this paragraph is limited *solely* to administrative actions the OTS could take based on the above-alleged violations summarized in the above OTS Findings of Fact, or in any findings or conclusions contained in any Report of Examination of Equity One,

conducted by the OTS prior to the effective date of this Order. This release shall not preclude or effect any right of the OTS to determine and ensure compliance with the terms and provisions of the Order and this Stipulation.

(b) Williams acknowledges and agrees that his consent to the issuance of the Order is solely for the purpose of resolving certain potential OTS administrative enforcement charges as provided by paragraph 7(a) above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of Williams that arise pursuant to this action or otherwise and that may be or have been brought by another governmental entity.

8. Miscellaneous.

(a) The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America;

(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns;

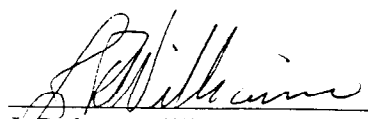
(c) The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order;

(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and

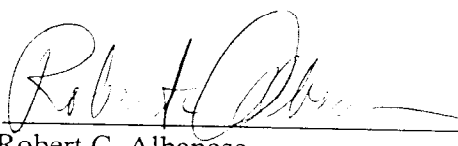
(e) This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

WHEREFORE, on this 18th September day of ~~July~~ 2000, WILLIAMS executes this Stipulation, intending to be legally bound hereby.

Accepted on the date of the Order by:
OFFICE OF THRIFT SUPERVISION



J. Robert Williams

By: 

Robert C. Albanese
Regional Director, Northeast Region

Relief on behalf of the OTS where the institution-affiliated party who is the subject of the Order has consented to the issuance of the Orders.

NOW, THEREFORE, IT IS ORDERED THAT:

1. On or after the effective date of this Order, Williams shall not:

a. personally prepare, or assist in the preparation of, any real estate appraisal or other evaluation of real estate for use by, or in connection with a transaction in which funds are lent by, an insured depository institution;

b. supervise or review preparation of any real estate appraisal or other evaluation of real estate for use by, or in connection with a transaction in which funds are lent by, an insured depository institution; or

c. sign or allow another person to sign on his behalf any real appraisal or other evaluation of real estate for use by, or in connection with a transaction in which funds are lent by, an insured depository institution.

2. Williams shall place a cover sheet on any real estate appraisal or other evaluation of real estate which he prepares, assists or supervises the preparation of, or signs, the following notice in typeface larger than the typeface used in the body of the appraisal or evaluation document: "THIS APPRAISAL [OR EVALUATION] MAY NOT BE USED FOR ANY PURPOSE BY AN FDIC-INSURED INSTITUTION."

3. Williams shall, at the OTS's written request, on reasonable notice and without service of a subpoena, provide discovery and testify truthfully at any judicial, administrative or investigative proceeding related to any investigation, litigation or other proceeding maintained by the OTS related to Banco Popular or Equity One or their institution-affiliated parties, except that Williams does not waive any privilege against self-incrimination under the Fifth Amendment of the United States


Constitution, or any attorney-client privilege. If Williams invokes his privilege against self-incrimination and the OTS obtains a grant of immunity pursuant to 18 U.S.C. 6001 et seq., Williams agrees, consistent with any grant of immunity, to provide discovery and testify truthfully at any judicial, investigative or administrative proceeding on the matter for which immunity is given. In providing such testimony or discovery, Williams shall be entitled to any witness fees and travel expenses allowed by law.

4. For purposes of this Order, the term “insured depository institution” shall have the meaning set forth in 12 U.S.C. 1813(c)(3).

5. The Stipulation is made a part hereof and is incorporated herein by reference.

This Order is and shall become effective on the date it is issued, as shown in the caption hereof. The Stipulation and the Order shall remain in effect until terminated, modified or suspended, in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By: 
Robert C. Albanese
Regional Director, Northeast Region